

RECEIVED
CENTRAL FAX CENTER

JUL 17 2007

Attorney Docket No. 83042

17 July 2007

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appellant: ERNEST A. MARVIN III
Serial No.: 10/006,733
Filed: 31 October 2001
For: BUSINESS DEVELOPMENT PROCESS

Group Art Unit: 3692
Examiner: T. Harbeck
Customer No. 23523

APPEAL BRIEF ON BEHALF OF THE APPELLANTS IN

APPEAL TO THE BOARD OF APPEALS

To the Board of Patent Appeals and Interferences
P.O. Box 1450
Alexandria, VA 22313-1450

Sir or Madam:

This is a brief on behalf of the Appellants in the above-identified application, now under appeal before the Board of Appeals.

27/10/2007 EARTGAY1 00000002 140500 10006733
01 FC:1402 500.00 00

Appeal Brief

1

Application No. 10/006,733

Attorney Docket No. 83042

REAL PARTY IN INTEREST

The United States of America as represented by the Secretary of the Navy.

RELATED APPEALS AND INTERFERENCES

None.

STATUS OF CLAIMS

Claims 1-9 and 11-18 are presently pending in the application. Claims 1-9 and 11-18 are rejected. Claim 10 has been canceled. Claims 1-9 and 11-18 are presented for appeal and are attached as the Claims Appendix.

STATUS OF AMENDMENTS

A final rejection was provided by the Examiner on 17 January 2007 finally rejecting claims 1-9 and 11-18. Appellants responded to this rejection on 10 April 2007. The Examiner found that the amendment of 18 April 2007 failed to place the application in condition for allowance.

SUMMARY OF CLAIMED SUBJECT MATTER

The invention in independent claim 1 is a business development method for an organization utilizing a business development database. (FIG. 1; page 9, line 23 through page 10, line 16) The first step is collecting data for ideas from a

Appeal Brief

2

Application No. 10/006,733

Attorney Docket No. 83042

plurality of sources. Appellants' step of collecting ideas is supported at page 10, lines 12-16 of the specification. The next step of the method is identifying core equities of the organization. This is given in the specification at page 11, lines 6-20. The method then uses a step of filtering the collected idea data by identifying potential business opportunities as those collected ideas that fall within the identified core equities. Appellants' step of filtering is supported at page 10, line 24 through page 12, line 8 and in FIG. 2. Once the potential business opportunities are identified, an opportunity analysis is performed to determine valid business opportunities. Opportunity analysis is discussed on page 12, line 9 through page 22, line 10. The method then has a step of committing resources to the validated business opportunities. Committing resources is discussed on page 22, line 11 through page 26, line 21. A business proposal is developed for the valid business opportunities. The step of writing a business proposal is supported on page 28, line 5 through page 29, line 15. This developed business proposal is submitted to a potential buyer. The step of submitting the proposal to the buyer is given on page 29, lines 16-25. Success of the submission is determined. The step of determining success is given on page 30, lines 1-9. The business opportunity is executed when submission is a success. The step of executing the business plans is given on page 30, lines 10-14.

Application No. 10/006,733

Attorney Docket No. 83042

The invention of independent claim 11 is a business development process for an organization utilizing a business development database. (FIG. 1; page 9, line 23 through page 10, line 16) The first step is collecting data for ideas from a plurality of sources. Appellants' step of collecting ideas is supported at page 10, lines 12-16 of the specification. The next step of the method is identifying core equities of the organization. This is given in the specification at page 11, lines 6-20. The method then uses a step of filtering the collected idea data by identifying potential business opportunities as those collected ideas that fall within the identified core equities. Appellants' step of filtering is supported at page 10, line 24 through page 12, line 8 and in FIG. 2. Once the potential business opportunities are identified, an opportunity analysis is performed to determine valid business opportunities. Opportunity analysis is discussed on page 12, line 9 through page 22, line 10. Conducting an opportunity analysis is composed of several substeps. These include conducting a risk and reward assessment (pages 12-22) which includes developing risk benchmark values. A risk factor is identified in relation to the risk benchmark values. This is shown on page 20, lines 7-14, and in FIG. 9. Reward benchmark values are also developed. Reward factors are identified on page 21, lines 3-12, and in FIG. 9. A spread sheet is updated with calculated risk and reward factors. This is shown in FIG. 9.

Application No. 10/006,733

Attorney Docket No. 83042

The spread sheet gives the recommended course of action. (FIG. 9). Resources are committed if the action is indicated as "Go". The method then has a step of committing resources to the validated business opportunities. This is described on page 22, lines 11-21, and in FIG. 1, at reference number 42. Committing resources is discussed on page 22, line 11 through page 26, line 21. A business proposal is developed for the valid business opportunities. The step of writing a business proposal is supported on page 28, line 5 through page 29, line 15. This developed business proposal is submitted to a potential buyer. The step of submitting the proposal to the buyer is given on page 29, lines 16-25. Success of the submission is determined. The step of determining success is given on page 30, lines 1-9. The business opportunity is executed when submission is a success. The step of executing the business plans is given on page 30, lines 10-14.

GROUND OF REJECTION TO BE REVIEWED ON APPEAL

The following provides a concise statement of each ground of rejection presented for review in this appeal:

- I. Claims 1-9 and 11-18 on appeal are rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with enablement requirements.

Application No. 10/006,733

Attorney Docket No. 83042

II Claims 1-9 and 11-18 on appeal are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

III. Claims 1-9 and 11-18 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Maxwell (U.S. Patent No. 6,195,643) in view of Karszes (Jason Karszes & Wayne Knoblauch, "Five Points Help Evaluate New Technology", <http://www.dairybusiness.com/northeast/Feb01/5points.htm>).

ARGUMENT

I. Whether claims 1-9 and 11-18 on appeal are properly rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with enablement requirements.

Concerning the Examiner's rejection of claims 1-18 under 35 U.S.C. § 112, Appellants suggest that these steps define the invention in sufficient detail to allow one of ordinary skill in the art to practice the claimed invention. Appellants' step of collecting ideas is supported at page 10, lines 12-16 of the specification. Appellants' step of filtering is supported at page 10, line 24 through page 12, line 8. Opportunity analysis is discussed on page 12, line 9 through page 22, line 10. Extensive detail is provided concerning this step in order to

Application No. 10/006,733

Attorney Docket No. 83042

make it more reproducible and less subjective. Committing resources is discussed on page 22, line 11 through page 26, line 21. The step of writing a business proposal is supported on page 28, line 5 through page 29, line 15. The step of submitting the proposal to the buyer is given on page 29, lines 16-25. The step of determining success is given on page 30, lines 1-9; and the step of executing the business plans is given on page 30, lines 10-14. These steps are clearly identified in the specification and fully discussed in such terms that they could be executed by one of ordinary skill in the art. Accordingly, they fully satisfy the 35 U.S.C. § 112 requirement that:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Appellants suggest that a § 101 rejection does not automatically create the need for a § 112 lack of enablement rejection if the invention is useful and can operate as intended without undue experimentation. Appellants suggest that just because the steps of a method require subjective decision making, this does not require undue experimentation or render the invention not enabled. Subjectivity is controlled in decision making processes by aggregating the subjective opinions to remove those opinions that are outside of mainstream reasoning.

Appeal Brief

7

Application No. 10/006,733

Attorney Docket No. 83042

Subjectivity is also controlled by establishing metrics and criteria. Appellants suggest that gathering subjective opinions in a fully systematized manner does not constitute "undue experimentation." Appellants' invention comprises a plurality of fully detailed subjective steps that when compiled give a useful, deterministic indication of a course of action. Because the end result is useful and the process is fully detailed and operative, § 112 is satisfied. Appellants respectfully request reversal of the Examiner's § 112 rejection of claims 1-9 and 11-18.

II. Whether claims 1-9 and 11-18 on appeal are properly rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

Concerning the statutory subject matter rejection, Appellants suggest that this invention is useful and provides sufficient certainty to be concrete under 35 U.S.C. §101. Concreteness as a criteria was established by *In re Alappat*, 33 F.3d 1526, 31 U.S.P.Q.2d 1545 (Fed. Cir. 1994). This was reiterated in *State Street Bank & Trust v. Signature Financial Group Inc.*, 149 F.3d 1368, 47 U.S.P.Q.2d 1596 (Fed. Cir. 1998). However, neither of these decisions was made explicitly dependent on the definition of "concreteness" and do not provide guidance concerning the actual requirements for concreteness.

Application No. 10/006,733

Attorney Docket No. 83042

While the Examiner has said that "the mere fact that the result is an estimate, prediction or other approximation that may not ultimately be found to be accurate is not a determinative factor for concreteness," it appears that the Examiner is using subjectivity as a determinative factor. Appellants suggest that properly controlled subjectivity should not give rise to a § 101 non-statutory subject matter rejection. In the current application, the type of data and subjectivity is fully constrained. The Examiner has not considered the extent of these constraints in order specify the requirements for concreteness.

In management, business, and non-technological arts that depend on subjective data, it appears unlikely that the Examiner would consider any invention that requires the use of subjective data to be statutory subject matter. This is merely a restatement of the "technological arts" form of rejection explicitly struck down in *Ex parte Lundgren*, 76 U.S.P.Q.2d 1385 (Bd. Pat. App. & Int. 2005). By disallowing subjective determinations without argument, the Examiner is effectively rejecting this invention because it is not in the "technological arts."

Appellants' invention provides a systematized business development process. This is a "process" under the statutory subject matter categories given by § 101. The claimed process is "useful, concrete and tangible" and meets the requirements of *State Street Bank*. The process provides a business opportunity

Application No. 10/006,733

Attorney Docket No. 83042

for development that has been analyzed as the most favorable opportunity, has been developed as a proposal, has appropriate resources committed, and has been accepted by a buyer. The business opportunity identified for performance is a useful result because it gives direction to the practicing business entity.

The specification of the invention has steps that are well defined to one of ordinary skill in the art. These steps will create a uniform result. The business opportunity for performance is forced to be more concrete by the development process. If one of ordinary skill in the art executes the steps disclosed in the specification on a plurality of business opportunities, they would most likely identify the same business opportunities as being valid. This is within the requirements that "a claim directed to estimating, predicting or approximating something does not necessarily lack concreteness."

This invention meets the tangible result requirement because execution of the business opportunity is a real world result. Out of the plurality of business opportunities, one business opportunity is executed. Execution of this business opportunity involves labor, transfer of resources and transfer of information. These are elements of a real world result.

Appellants further suggest that this method is not a law of nature, a natural phenomenon, or an abstract idea. As such, Appellants' process clearly falls within the statutory subject

Application No. 10/006,733

Attorney Docket No. 83042

matter given by § 101. Appellants respectfully request reversal of the Examiner's non-statutory subject matter rejection.

III. Whether claims 1-9 and 11-18 are properly rejected under 35 U.S.C. § 103(a) as being unpatentable over Maxwell in view of Karszes.

First, concerning the Examiner's rejection of claims 1-9 and 11-18, Appellants suggest that Karszes is not properly prior art. Karszes has a publication date of February 2001 in its Uniform Resource Locator (URL). Because Karszes isn't a printed publication, an actual publication date cannot be obtained. Appellants conceived of the Business Development Method of the current invention in March 2000. This was followed by due diligence until actual reduction to practice in November of 2000 and patent application filing 31 October 2001. These facts are supported by the attached "Declaration of Prior Invention" and attachments.

Appellants respectfully request entry of this evidence. The defect was not discovered after the Examiner's first office action because the publication date does not clearly appear on the front of the reference. The date plainly on the front of the reference "9/23/03" is merely the date the reference was printed. It was only when formulating the arguments for the final rejection that Appellants noted the date "Feb01" in the URL and

Application No. 10/006,733

Attorney Docket No. 83042

considered the priority of this document. In view of this evidence, Appellants' invention predates the reference to Karszes, and for this reason, the Examiner's §103 rejections of claims 1-9 and 11-18 are improper. Appellants request reversal of the rejection of these claims.

Concerning the Examiner's § 103 rejection of claims 1-9 and 11-18, Appellants further suggest that the submitted material does not teach each and every step of the claimed invention. Specifically, Karszes does not teach "identifying core equities of the organization." Appellants suggest that a "core equity" is a central store of value. This is the same as a "core competency". A core competency is "an area of specialized expertise that is the result of harmonizing complex streams of technology and work activity." Gary Hamel and C. K. Prahalad, "The Core Competence of the Corporation", *Harvard Business Review*, vol. 68, no. 3, May-June 1990, pp 79-93. This definition is confirmed by the Appellants' listing of core equities in the specification at page 11, lines 12-20. These are areas of existing expertise not future plans or goals. Karszes asks, "Does the new technology support your dairy's and your family's goals and interests?" This inquiry appears to be a forward looking statement requiring goals and a projection of desires for the future. As such, Appellants respectfully suggest that neither Karszes nor Maxwell teach Appellants' step of identifying core equities of the organization. Without this step Karszes and

Application No. 10/006,733

Attorney Docket No. 83042

Maxwell are unable to teach the dependent step of filtering. Claims 1-9 and 11-18 should be allowable either directly or by dependency. Appellants respectfully request reversal of the rejection of these claims.

Claim 2

Specifically concerning claim 2, Appellants suggest that Maxwell does not teach the step of identifying formal announcements that are within a predetermined scope of business by a second designated point of contact. It is suggested that the primary purpose of this step is ensuring that the identified announcements are within the core equities of the organization. This is provided in the specification at page 11, lines 6-8. Because Maxwell does not conduct a core equity based review, this step cannot be shown. Appellants respectfully request reversal of the rejection of claim 2.

Claims 3-9

Specifically concerning the Examiner's rejection of claim 3 and dependent claims 4-9, Maxwell does not teach evaluation of an identified business opportunity because a purchase decision is much simpler than a business opportunity. Appellants cite a large number of factors that should be accounted for when evaluating a business opportunity. None of these factors is discussed in the cited prior art. Appellants suggest that this is because Appellants are applying technology and a new form of analysis to selecting a business opportunity. No one has

Application No. 10/006,733

Attorney Docket No. 83042

systematized them into a process for analysis. Accordingly, Appellants respectfully request reversal of the rejection of claims 3-9.

Claims 11-15

Concerning the Examiner's rejection of claims 11-15, Maxwell does not teach developing risk benchmarks. Maxwell at col. 6, lines 1-21 teaches establishing functional requirements. This relates to the inherent qualities of the item being purchased. This does not relate to things that represent external risks of buying the product. Risk analysis as disclosed by the Appellants on page 19, line 18 through page 21, line 2, concerns extrinsic factors that do not exist in a simple purchase decision. Again, these factors are not discussed by Maxwell because Maxwell discloses a purchase decision that is relatively less complex. Appellants respectfully suggest that Appellants teachings are focused on business opportunity analysis. As such, application of purchase decision prior art is inappropriate. Appellants respectfully request reversal of the rejection of claims 10-15.

CONCLUSION

Appellants respectfully submit that the disclosure provided complies with the enablement requirements of § 112, and that the submitted application is statutory subject matter under § 101. Appellants further submit that the Examiner erred by rejecting claim 1-9 and 11-18 over Maxwell in view of Karszes because

Application No. 10/006,733

Attorney Docket No. 83042


Karszes is not prior art and in any case does not show the elements of Appellants' invention. In view of these errors, Appellants respectfully request a reversal of the Examiner's Final Office Action and allowance of the pending claims.

Appellants hereby waive oral hearing.

Respectfully submitted,
ERNEST A. MARVIN III

17 July 2007

BY


JAMES M. KASISCHKE
Attorney of Record
Reg. No. 36562

Encl:
CLAIMS APPENDIX
EVIDENCE APPENDIX
RELATED PROCEEDINGS APPENDIX

Application No. 10/006,733

Attorney Docket No. 83042

CLAIMS APPENDIX

1. (previously presented): A business development process for an organization utilizing a business development database comprising the steps of:

collecting data for ideas from a plurality of sources;

identifying core equities of the organization;

filtering said collected idea data by identifying potential business opportunities as those collected ideas that fall within the identified core equities;

performing an opportunity analysis on said identified potential business opportunities to determine valid business opportunities;

committing resources to said valid business opportunities;

developing a business proposal for said valid business opportunities;

submitting said developed business proposal to a potential buyer of said valid business opportunity;

Application No. 10/006,733

Attorney Docket No. 83042

determining if submission of said developed business
proposal is a success; and

executing said business opportunity upon determining that
the submission is a success.

2. (previously presented): The process according to claim 1
wherein said collected idea data includes formal announcements
and said step of filtering further includes the steps of:

reviewing said formal announcements for potential business
opportunities by a first designated point of contact;

retaining said formal announcements in said business
development database for future reference;

identifying formal announcements that are within a
predetermined scope of business by a second designated
point of contact;

distributing a list of the identified announcements to a
business development team;

conducting a review of all said identified announcements by
the business development team; and

Application No. 10/006,733

Attorney Docket No. 83042

selecting specific opportunities from announcements reviewed
at said step of conducting a review;

forwarding said specific opportunities from said step of
selecting as identified potential business
opportunities; and

archiving all non-selected opportunities remaining after
said step of selecting.

3. (previously presented): A business development process for
an organization utilizing a business development database
comprising the steps of:

collecting data for ideas from a plurality of sources;

identifying core equities of the organization;

filtering said collected idea data by identifying potential
business opportunities as those collected ideas that
fall within the identified core equities;

performing an opportunity analysis on said identified
potential business opportunities to determine valid
business opportunities, wherein said step of performing
an opportunity analysis includes the steps of:

Application No. 10/006,733

Attorney Docket No. 83042

grading strengths and weaknesses of the identified potential business opportunity, said grading occurring in areas of the market, economics, competitive advantage, the team, and potential flaws, each area including plural criteria and high/low attractive assessments for each;

entering project identifying information into a computer for creating a master form;

automatically summarizing graded areas on the master form;

archiving opportunities having an overall low attractive summarized score; and

forwarding identified potential business opportunities having an overall high attractive summarized score as valid business opportunities;

committing resources to said valid business opportunities;

developing a business proposal for said valid business opportunities;

submitting said developed business proposal to a potential buyer of said valid business opportunity;

Claims Appendix

4

Application No. 10/006,733

Attorney Docket No. 83042

determining if submission of said developed business
proposal is a success; and

executing said business opportunity upon determining that
the submission is a success.

4. (original): The process according to claim 3 further comprising the step of representing each area by a separate electronic worksheet wherein the step of grading includes assigning a numeric value to each criteria according to the project parameters, computing a score for that worksheet and transferring the computed score to the master form.

5. (original): The process according to claim 4 wherein market criteria include customers, user benefits, value added, product life, timing, market structure, funding potential, and potential market share.

6. (original): The process according to claim 5 wherein economic criteria include time to break even, return on investment potential, capital requirements, impact on staffing, room for error, and funding structure.

7. (original): The process according to claim 5 wherein competitive advantage criteria include fixed and variable costs; control over costs; prices and distribution; barriers to entry by

Claims Appendix

5

Application No. 10/006,733

Attorney Docket No. 83042

proprietary protection, lead time, legal and contractual issues, availability of contacts and networks, availability of key people, specialized criteria for an applicable industry; and a level of technology and concept.

8. (original): The process according to claim 5 wherein team criteria include having an entrepreneurial team, any industry or technical experience, integrity, intellectual honesty, and stress tolerance.

9. (original): The process according to claim 5 wherein potential flaw criteria include real customer, under promise - over deliver, a right corporate culture, a motivated team with correct skills, a correct market, confidence, engineering of product, stress tested properly, good subcontracting suppliers, trying to do too much, an experienced team, right location, price in line with competition, market window, competition, authority to act given to team, project within Code of Federal Regulations, a contractually fixed price, funding available prior to work startup, and available resources.

10. (Canceled).

Application No. 10/006,733

Attorney Docket No. 83042

11. (previously presented): A business development process for an organization utilizing a business development database comprising the steps of:

collecting data for ideas from a plurality of sources;

identifying core equities of the organization;

filtering said collected idea data by identifying potential business opportunities as those collected ideas that fall within the identified core equities;

performing an opportunity analysis on said identified potential business opportunities to determine valid business opportunities;

wherein said step of performing an opportunity analysis further comprises conducting a risk and reward assessment step including:

developing risk benchmark values for a combined plurality of risk criteria including new product, new customer, cooperative existing customer, team, time to meet milestone and deliverables, funding limited, customer pain, and internal process;

Application No. 10/006,733

Attorney Docket No. 83042

identifying a risk factor in relation to said risk benchmark value for each of said plurality of risk criteria;

developing reward benchmark values from a combined plurality of reward criteria including sustains/grows core equity, addresses critical need, new business development, competitive advantage, increase market share, and increase professional reputation;

identifying a reward factor in relation to the reward benchmark value for each of the plurality of reward criteria;

automatically updating a master sheet with calculated risk and reward factors; and

performing a final assessment of said valid business opportunities based on said master sheet for an action selected from the group consisting of GO, NO GO, and MAYBE;

committing resources to said finally assessed valid business opportunities having an action indicated as GO;

developing a business proposal for said valid business opportunities;

Application No. 10/006,733

Attorney Docket No. 83042

submitting said developed business proposal to a potential
buyer of said valid business opportunity;

determining if submission of said developed business
proposal is a success; and

executing said business opportunity upon determining that
the submission is a success.

12. (original): The process according to claim 11 wherein the
final assessment action of "GO" is followed by the steps of:

identifying a potential customer;

establishing a rapport with the identified potential
customer;

logging customer information into the database;

isolating problems and priorities in connection with the
identified customer; and

installing a capture team and a lead for the capture team
for the identified customer.

Application No. 10/006,733

Attorney Docket No. 83042

13. (original): The process according to claim 1 wherein said step of committing resources includes the steps of:

conducting meetings to determine availability of resources;

rendering a decision on one of an action to commit

resources, not to commit resources, and maybe commit resources;

adding relevant information to said business development database, providing feedback to a capture team and archiving unused data if a decision not to commit resources is made;

returning opportunity to the capture team if a decision to maybe commit resources is made;

completing a task sheet requesting support;

forwarding the completed task sheet to a selected company division; and

completing a capture plan in said business development database.

Application No. 10/006,733

Attorney Docket No. 83042

14. (original): The process according to claim 13 wherein said task sheet includes identifying information about a contact, actions logged into said business development database, request being made, additional information and guidance, resources required, and requested due date.

15. (original): The process according to claim 14 wherein said step of completing a capture plan includes entering information into capture plan worksheets, said capture plan worksheets containing information related to: the buyer's need; the buyers; the internal capture team; information required about the need; information required about the buyer; information required about the money available; information required on the competition; the abilities of the competition; internal investment required; internal return on investment; the response to the need; the best sales argument; key and ghosting discriminators; return on investment analysis; the team; salespersons for each buyer; pre-selling contact plan; potential questions, objections and responses; several appropriate closing proposal approaches; and elements of the sales presentation.

16. (original): The process according to claim 1 wherein said step of developing a proposal includes further steps of:

Application No. 10/006,733

Attorney Docket No. 83042

assigning a proposal number in said business development
database;

completing a modular proposal process; and

performing a final review of the modular proposal to produce
a final proposal.

17. (original): The process according to claim 16 wherein said
modular proposal process includes the steps of:

evaluating customer knowledge;

reviewing evaluation criteria;

identifying strengths, weaknesses, opportunities, and
threats;

proposing a winning strategy;

developing organization and content of the proposal;

outlining sections of the proposal;

reviewing product designs;

Application No. 10/006,733

Attorney Docket No. 83042

identifying section strategies;

building compliance sheets;

assembling storyboards from section strategies, compliance sheets, and section outlines;

conducting a storyboard wall review from said storyboards;

drafting topics for discussion with a customer;

introducing an early review of drafted topics by an early review team including a mock customer;

conducting a wall review of the drafted topics;

editing the drafted topics;

conducting a wall review for proofing;

conducting a wall review with the early review team;

performing a final review; and

generating a final proposal.

Application No. 10/006,733

Attorney Docket No. 83042

18. (original): The process according to claim 1 wherein:

said step of determining if submission of said developed
business proposal is a success results in any one of a
YES, NO, and MAYBE decision;

performing the following steps when the success
determination decision is a NO decision:

post reviewing the business proposal;

providing feedback to said step of developing a business
proposal; and

archiving the proposal by amending the business development
database with information relevant to the decision;

returning the proposal to said step of developing a business
proposal when the success determination decision is a
MAYBE decision; and

executing said business opportunity when the success
determination decision is a YES decision.

Application No. 10/006,733

Attorney Docket No. 83042

EVIDENCE APPENDIX

Exhibit A. Declaration Under Rule 1.131(a) entered by Examiner as part of Appellants' response to Final Rejection submitted on 10 April 2007.

Exhibit B. Invention disclosure in support of Declaration submitted on 10 April 2007.

**RECEIVED
CENTRAL FAX CENTER**

JUL 17 2007

Attorney Docket No. 83042

2 April 2007

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: ERNEST A. MARVIN III ET AL Group Art Unit: 3692
Serial No.: 10/006,733 Examiner: T. Harbeck
Filed: 31 October 2001 Customer No. 23523
For: BUSINESS DEVELOPMENT PROCESS

Declaration Under Rule 131(a)

Dear Sir:

Ernest A. Marvin III, Brian M. Hodor, and Joseph M. Monti, the applicants in the above-identified patent application, declare as follows:

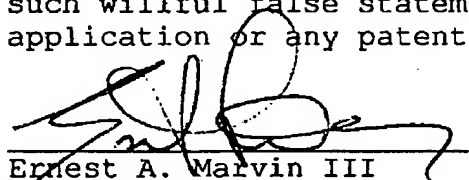
1. Ernest A. Marvin III, Brian M. Hodor and Joseph M. Monti of the Naval Undersea Warfare Center, Division Newport, Surface Undersea Warfare Division conceived of a business development process in March 2000. From March 2000 to September 2000, the process was adapted and benchmarked for business needs at the Surface Undersea Warfare Department of the Naval Undersea Warfare Center, Division Newport (NUWC DIVNPT). The process was tested during this period. Spreadsheets for following the process were prepared during this period. The process was delivered to the Business Development Group of NUWC DIVNPT in August 2000.
2. An internal informational package concerning the process was prepared 1 November 2000. A publicly releasable technical report, Marvin III et al., "Surface Undersea Warfare Department Business Development Process", NUWC-AP-11272, was prepared covering this invention and submitted for publication on 11 November 2000. This draft report is provided as attachment A. The actual publication date is 1 March 2001.
3. The invention disclosed in this publication is a business development process utilizing a business development database comprises collecting data for ideas from a plurality of sources. One type of collected idea data from the step of collecting is filtered in order to identify potential business opportunities. An opportunity analysis is then performed on said identified potential business opportunities to determine valid business opportunities. Resources are committed to the valid business opportunities, a business proposal is developed. This developed

Evidence 10/006,733

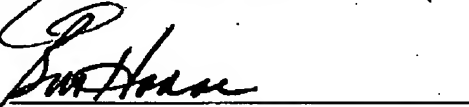
business proposal to a potential buyers. Success of the submission is determined and the business opportunity is executed if the submission is a success.

4. The NUWCDIVNPT Office of Counsel received an invention disclosure covering the process on 22 February 2001. This disclosure is provided as attachment B.

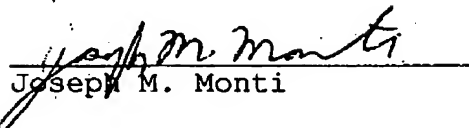
5. The Declarants further state that the above statements were made with the knowledge that willful false statements and the like are punishable by fine and/or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that any such willful false statement may jeopardize the validity of this application or any patent resulting therefrom.


Ernest A. Marvin III

2 April 07
Date


Brian M. Hodor

02 April 07
Date


Joseph M. Monti

4 April 07
Date

RECORD AND DISCLOSURE OF INVENTION

DIRECTIVE: ONRINST 5870.1C

DEPARTMENT OF THE NAVY
OFFICE OF NAVAL RESEARCH
ARLINGTON, VA 22217

INSTRUCTIONS: A Navy inventor or an employee of a Navy contractor should use this form when submitting an invention disclosure to the Department of the Navy. Original and two copies should be printed or typed and forwarded to the Navy Patent representative in the area or directly to the Office of Naval Research at the above address. When space on form is inadequate, enter "see attached page", identify item by number and use plain pages as needed. When completely executed, this form becomes an important legal document useful in proving priority of invention.

FOR USE BY NAVY PATENT ACTIVITY

PATENT ACTIVITY (name) NUWC	NAVY CASE NO. 83042
DATE DISCLOSURE RECEIVED 22 Feb 01	LOCAL CASE NO.

PART I. RECORD OF INVENTION

1. INVENTOR(S)	ADDRESS	POSITION/TITLE	EMPLOYEE (Activity & Code No., or Company & address)
Ernest A. Marvin III Brian Hodor Joseph M. Monti	Norwich, CT Wickford, RI Johnston, RI	Computer Scientist General Engineer Head, Code 31B	NUWC DIVNPT, Code 31B NUWC DIVNPT, Code 3131 NUWC DIVNPT, Code 31B

2. DESCRIPTIVE TITLE OF INVENTION (Disclosure details of invention in Part II on reverse)

Business Development Process- A process for assessing new business ideas, identifying risk and reward, opportunity analysis, developing proposals and submitting to either new or existing customers.
BD Process Software- EXCEL spreadsheets used for opportunity analysis and the assessment of risk and reward.

RECOMMENDED SECURITY CLASSIFICATION AND AUTHORITY ON INVENTION DISCLOSURE

UNCLASSIFIED

3. CONCEPTION, INITIAL RECORDS AND RESULTS OF FIRST MODEL

a. EARLIEST DATE AND PLACE INVENTION WAS CONCEIVED (Identify persons and records too support date and place)

The process was initially designed in March 2000. A period of 6 months was used to fully adapt the process and benchmark for our business needs. The software spreadsheets were completed in April 2000. A meeting was held with the Business Development group in August 2000 to introduce the process. The Department Head was briefed in August and accepted the process Department wide. The entire Department was briefed on the process from 16 October 2001 to 9 November 2001.

b. DATE AND PRESENT LOCATION OF FIRST SKETCH, DRAWING OR PHOTO AND FIRST WRITTEN DESCRIPTION (Such as notebook entries, etc.)

The initial formal description of the process was documented in an information package dated 1 November 2000. A copy of the information package is attached.

c. DATE AND PLACE OF COMPLETION OF FIRST OPERATING MODEL OR FULL SIZE DEVICE AND ITS PRESENT LOCATION

The initial operating model was completed at NUWC DIVNPT in March 2000. The software is held in configuration management in Room 412, Building 1320 at NUWC DIVNPT.

d. DATE AND PLACE OF FIRST TEST OR OPERATION AND THE RESULTS (Give name and address of witnesses, and present location of records)

The first testing was performed during the benchmarking period from April 2000 thru September 2000. A number of new business ideas were evaluated using the process and resulted in successful opportunities.

4. OTHER RECORDS (Notebook entries, descriptions, reports, drawings, etc.)

IDENTIFICATION	DATE OF DOCUMENT	PRESENT LOCATION
OpportunityProposalDevelopmentProcess.ppt	10/12/00	NUWC DIVNPT, Bldg 3120, Rm 412
Tool12_CcreeningProcessTemplate.xls	10/12/00	NUWC DIVNPT, Bldg 3120, Rm 412
Tool3_31BTasker.doc	10/10/00	NUWC DIVNPT, Bldg 3120, Rm 412
Tool4_Capture Plan.ppt	10/10/00	NUWC DIVNPT, Bldg 3120, Rm 412
ScreeningProcessTemplate.xls	9/22/00	NUWC DIVNPT, Bldg 3120, Rm 412
BD Process Presentation	2/7/00	NUWC DIVNPT, Bldg 3120, Rm 412
BD Process Presentation	11/1/00	NUWC DIVNPT, Bldg 3120, Rm 412
BD Process report.doc	11/11/00	NUWC DIVNPT, Bldg 3120, Rm 412

Evidence 10/06/01
Exhibit B

5. INDIVIDUALS TO WHOM INVENTION WAS I		USED	DISCLOSED	TYPE (Oral or written disclosure)
NAME	ACT	Y OR COMPANY INDIVIDUAL REPRESENTS	11/00	Oral/Written
NUWC Code 31 Personnel				

NAVONR 5870/35 (Rev 5-83)

6. DATE AND PLACE OF OTHER TESTS OR OPERATIONS, AND THE RESULTS (List name and address of witnesses and identify present location of records)

Human Centered Laboratory Analysis, 4/18/00
 ROAST Analysis, 4/19/00
 FFG Upgrade Program Analysis, 7/7/00
 Navy after Next Analysis, 4/18/00
 Benchmarking Analysis, 4/4/00
 Broadband Hull Sonar Analysis, 11/1/00
 NCTC Analysis, 11/17/00
 CTDCL Analysis, 12/19/00
 Battlespace Analysis, 4/17/00
 CONAD Analysis, 4/18/00
 Data Mining Analysis, 9/13/00
 Element Recorder Analysis, 6/2/00
 Multimedia Trainer Analysis, 8/15/00
 SURTASS Software Port Analysis, 9/13/00

7. IDENTIFY ANY PAST, PRESENT OR CONTEMPLATED USE, SALE, OR PUBLICATION OF THE INVENTION

None

8. CLOSELY RELATED PATENTS, PATENT APPLICATIONS AND PUBLICATIONS

PATENT OR APPLICATION NO. AND DATE	TITLE OF PUBLISHED ARTICLE	PUBLICATION NAME AND DATE

PART II. DISCLOSURE OF INVENTION

Describe the invention fully and completely, using the outline given below. Sketches, prints, photos, and other illustrations should be attached to this disclosure. Use additional plain pages as needed to complete this disclosure.

- GENERAL PURPOSE.** State in general terms the purpose and objects of the invention.
- BACKGROUND.** Describe the old methods, materials or apparatus used to perform the objects of the invention and give their limitations and disadvantages.
- DESCRIPTION AND OPERATION.** Describe clearly and completely the construction of the invention and give a detailed description of its operation and use. In the description, use reference characters to refer to components in attached illustrations.
- ADVANTAGES AND NEW FEATURES.** State the advantages of the invention over the old methods described in paragraph #2 above, and the features believed to be new.
- ALTERNATIVES.** Indicate any alternative methods, materials or constructions of the invention.
- CONTRIBUTIONS BY INVENTORS.** If this is a joint invention, indicate what contribution was made by each inventor.
- EXECUTION OF DISCLOSURE.** The end of the disclosure should be signed and dated by the inventor(s). The disclosure should then be read and understood by two technically qualified witnesses. Under inventor(s) signatures, enter the statement: "Disclosed to and understood by me on (date)." The two witnesses should sign under this statement.

1-7 See attached sheets

1. GENERAL PURPOSE

The process allows innovators to pursue ideas, and determine the opportunities that have presented themselves. This promotes more innovation, as engineers can better understand where their ideas go and how they are developed. Additionally, this process assesses the risks and rewards, compares that assessment to a baseline of proven successful opportunities, and provides insight to what the next step should be. This invites more effective strategic planning, commitment of resources, and overall planning.

2. BACKGROUND

For a number of years a sound business development process has been required so that decisions could be made easier while pursuing new work. With changing times, funding has become more difficult to obtain and competition for the funding has increased dramatically. With numerous ideas and limited resources, it was felt that a business development process was necessary to identify which ideas were worth pursuing. The strategic planning and business development office has worked for nine months developing and refining a process for our current and future business needs. The process was benchmarked and tested for nearly three months. The Surface Undersea Warfare Department, Code 31, has adopted the process as a standard for all new business development.

3. DESCRIPTION AND OPERATION

A detailed description of the process and associated software tools is sighted in:

Surface Undersea Warfare Department Business Development Process, V1.0, NUWC-NPT Technical Document

4. ADVANTAGES AND NEW FEATURES

The process allows innovators to pursue ideas, and determine whether the opportunities are real and worth investing. The process allows NUWC to better commit resources and efforts this leads to a much better return on investment due to efficient resource allocation. This invites more effective strategic planning, commitment of resources, and overall planning.

5. ALTERNATIVES

None known of

6. CONTRIBUTIONS BY INVENTORS

Ernest A. Marvin, III, Code 31B, Designed the Process and software tools, wrote the description document

Brian Hodor, Code 3131, Designed the Process and software tools, reviewer of the description document

Joseph Monti, Code 31B, Designed the process, benchmarked process, reviewer of the description document

7. EXECUTION OF DISCLOSURE

Inventor:


Ernest A. Marvin III

2/7/01
DATE

Inventor:


Brian M. Hodor

2/7/01
DATE

Inventor:


Joseph M. Monti

2/7/01
DATE

Witness:


SIGNATURE

2/7/01
DATE

Witness:


SIGNATURE

FEB 7, 2001
DATE

DRAFT

NUWC-NPT Technical Report
11 November 2000

Copy ___ of ___

Surface Undersea Warfare Department Business Development Process, V1.0

Ernest A. Marvin III
Surface Undersea Warfare Department
Strategic Planning and Development Office



**Naval Undersea Warfare Center Division
Newport, Rhode Island**

Approved for public release; distribution is unlimited.

Evidence 101006, 733

Exhibit R

ABSTRACT

In these times of limited funding and dramatically increased competition for that funding, it became necessary to establish a sound business development process that would identify which ideas are worth pursuing. The Strategic Planning and Business Development Office (SPDO) (Code 31B) at the Naval Undersea Warfare Center (NUWC) Division Newport has spent nine months developing and refining the business development process in light of government's current and future needs. The process, which was benchmarked and tested for nearly three months, has been adopted by the Surface Undersea Warfare Department (Code 31) as a standard for all new business development.

ADMINISTRATIVE INFORMATION

This report was prepared in support of the Strategic Planning and Development Office (Code 31B), J. Monti, Head.

The author is the chief systems engineer for the Strategic Planning and Development Office in the Surface Undersea Warfare Department at the Naval Undersea Warfare Center and is located at Division Newport in Newport, Rhode Island.

ACKNOWLEDGMENTS

The author would like to thank Mr. Brian Hodor for his assistance in assembling, testing, and benchmarking the opportunity analysis and risk/reward tools and his review of this report. He would also like to thank Mr. Joseph Monti for his direction, support, and assistance in developing this process.

The author would also like to thank Morgan Group LLC and MIT, especially Mr. Leslie Gray III, and Strategic Marketing & Analysis, Inc for the background information they provided in preparing this process.

TABLE OF CONTENTS

LIST OF FIGURES	ii
LIST OF TABLES	ii
INTRODUCTION	1
THE PROCESS	1
Step 1. Filter	3
Step 2. Opportunity Identification	4
Step 3. Commit Resources	6
Step 4. Develop Proposal	6
Step 5: Submittal	7
Step 6: Success	8
Step 7: Execute	8
THE TOOLS	8
SUMMARY	8
BIBLIOGRAPHY	9
APPENDIX A	A-1
APPENDIX B	B-1
APPENDIX C	C-1

LIST OF FIGURES

Figure 1. Surface Undersea Warfare Department, Business Development Process	2
Figure 2. Data Call Filter Diagram	3
Figure 3. Modular Proposal Data Flow Diagram	7

LIST OF TABLES

Table 1. Idea vs. Opportunity	4
Table 2. Risk Assessment	5
Table 3. Reward Assessment	6
Table 4. Business Development Process Tools	8

INTRODUCTION

The Strategic Planning and Business Development Office (SPDO) (Code 31B) at the Naval Undersea Warfare Center (NUWC) Division Newport has spent nine months developing and refining the business development process in light of government's current and future needs. The process, which was benchmarked and tested for nearly three months, has been adopted by the Surface Undersea Warfare Department (Code 31) as a standard for all new business development. This step-by-step process promotes innovation by allowing the "owner" of an idea to better understand where the idea goes and how it is developed. It also invites more effective strategic planning, commitment of resources, and overall planning because it assesses the risks and rewards, compares that assessment to a baseline of proven successful opportunities, and helps determine the next step.

THE PROCESS

The business development process consists of seven major steps: (1) Filter, (2) Opportunity Identification, (3) Commit Resources, (4) Develop Proposal, (5) Submittal, (6) Success, and (7) Execute. These steps bring an idea from initial identification through project execution. An idea can come from one of three sources: a formal proposal data call, an employee, or from an internal or external request. The request can be either from an existing customer or a new customer. Figure 1 is a flow diagram of the business development process.

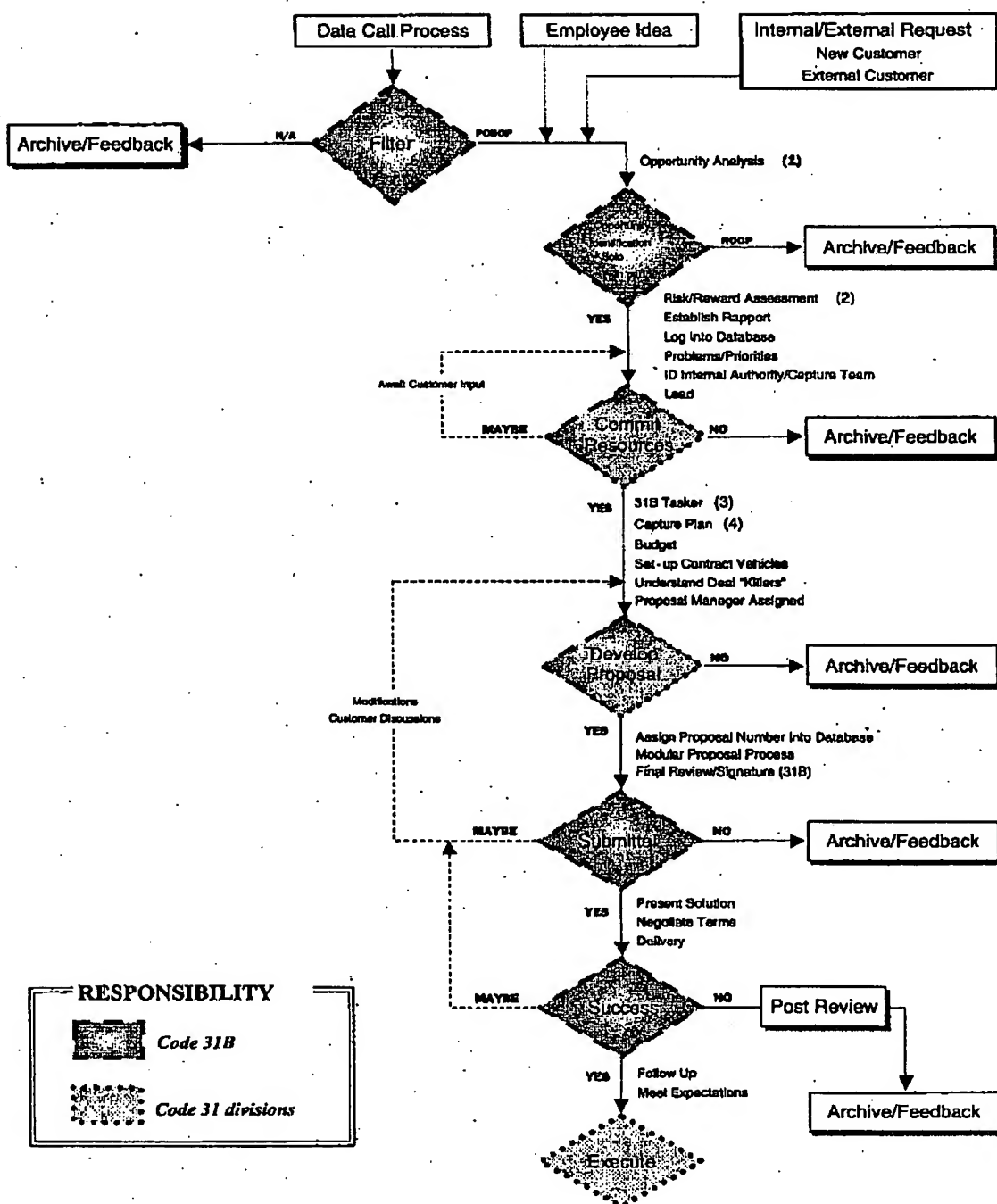


Figure 1. Surface Undersea Warfare Department Business Development Process

STEP 1. FILTER

An idea that comes from a formal data call needs to be filtered before moving to the next step. Filtering helps to identify the division and/or personnel that can respond to the data call. This filtering process, Step 1, is shown in figure 2.

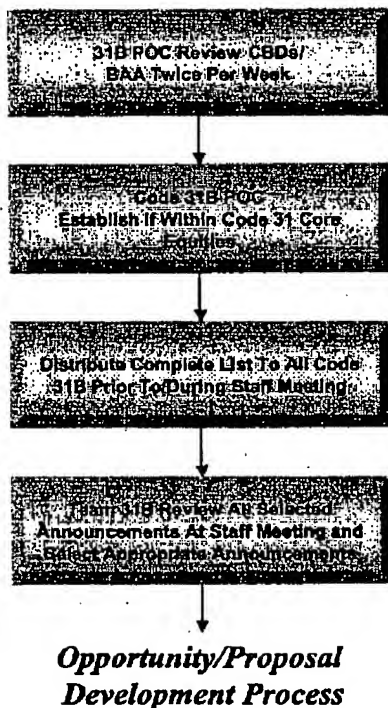


Figure 2. Data Call Filter Diagram

A designated point of contact (POC) will review the Commerce Business Daily (CBD) and Broad Agency Announcement (BAA) calls twice weekly for possible opportunities. A second individual will determine if a data call is within the Code 31 core equities. A complete list of announcements that fall within the code's core equities will be distributed to the business development team for review at a weekly SPDO staff meeting. The team will select those announcements that will move to the next step in the development process. Ideas that are not recommended for continuation are archived for potential review at a later date.

At this point, those ideas that continue in the process undergo an opportunity analysis to determine whether the idea is an opportunity. The analysis tool, Tool 1, is an electronic spreadsheet that grades the strengths and weaknesses of an idea to determine if it is an opportunity. Five areas are analyzed:

- The market
- Economics
- Competitive advantage
- The team
- Potential flaws.

Each area is represented by an excel worksheet in the file *Tool12screening process.exl*. The coversheet contains a summary of information from the individual worksheets and user data. (Copies of the worksheets and an example coversheet are presented in Appendix A.) The originator fills in the coversheet with the idea name, the originator's name, a brief description of the idea, and any external team members involved in this analysis. An idea can be entered in the process with or without team members to determine if an opportunity exists or if there is value added. The originator then proceeds to the five worksheets, one for each of the areas to be analyzed. The originator is directed to enter a "1" in the assessment column beside each attribute where the attractiveness exists. The space is to be left blank if the assessment factor is not clear or is questionable. The column total will automatically appear on the bottom row and in the appropriate box on the coversheet. Once the five worksheets are completed, an overall score will appear on the coversheet. Interpretation (??) of that score is depicted in table 1.

Table 1. Idea vs. Opportunity

Overall Value	Outcome
Opportunity value >> Idea value	Possible Opportunity
Idea value >> Opportunity value	Idea only
Opportunity value = Idea value	Possible Opportunity
Opportunity value > Idea value	Possible opportunity
Idea value > Opportunity value	Requires additional information to become a possible opportunity

Note: >> = Much larger value
 > = Slightly larger value

STEP 2. OPPORTUNITY IDENTIFICATION

In Step 2, Opportunity Identification, the idea is determined to be either an opportunity or no opportunity (NOOP). If the idea is determined to be NOOP, it is archived and feedback is provided to the originator. If the idea is determined to be an opportunity, then a number of tasks need to be performed.

The Risk/Reward Assessment, Tool 2, is an excel worksheet found in the file *Tool12screening process.exl*; a sample is presented in Appendix A. The worksheet is divided into two sections, one for risk assessment and one for reward assessment. For risk assessment, a number between 0 (high risk) and 1 (low risk), in increments of one-tenth, is entered for each risk factor. The risk factors are:

- New Product
- New Customer
- Cooperative Existing Customer
- Team
- Time to Meet Milestones/Deliverables
- Funding Limited
- Customer Pain
- Internal Process.

The numbers are multiplicative; therefore, assigning a 0 to a factor will put the total risk at 0. ?? Table 2 indicates the assigned thresholds for risk assessment based on the total risk calculated.

Table 2. Risk Assessment

Total Risk Threshold	Assessment	Action
0-.002	Too High Risk	Do Not Do It
.002-.02	High Risk	Talk to the Customer
.02-.2	Tough, but doable	Move ahead
.2-1	Low Risk	Move ahead

The data from the worksheet are tallied and entered in the appropriate area of the coversheet.

For the reward assessment, a 1 (low reward), 2 (moderate reward), or 3 (high reward), in increments of whole integers, is assigned to each of the following reward factors:

- Sustains/Grows Core Equity
- Addresses Critical Need
- New Business Development
- Competitive Advantage
- Increases Market Share
- Increases Professional Reputation.

The reward assessment is a process that is evaluated against prior departmental projects that have been benchmarked based on their success. Table 3 indicates the thresholds for reward assessment based on the total reward calculated.

Table 3. Reward Assessment

Total Reward Threshold	Assessment	Action
.3-.55	Low Reward	Probably do not do it; however, review risk, talk to customer, and determine future work
.55-.8	Moderate Reward	Move ahead based on risk analysis
.8-1	High Reward	Move ahead based on risk analysis

At this point, a potential customer must be identified, and discussions should begin with that customer to establish a rapport. It is important to work with this customer in a proactive, not reactive, way. At this early stage, a presentation should be avoided unless, of course, the customer desires a briefing. This opportunity is entered in the business development database for tracking and balanced scorecard assessment. A capture team is identified and a lead, usually the originator, is assigned.

STEP 3. COMMIT RESOURCES

The decision to commit resources, Step 3, is jointly determined by Code 31B and the appropriate division. If the decision is not to commit resources, relevant information is added to the business development database and feedback is provided to the capture team (originator). If the decision is to commit resources, Code 31B will provide a Code 31B task sheet (Tool 3) to the appropriate division requesting support. (An example of the task sheet is provided in Appendix B.) Prior to receiving the task sheet, discussions will have taken place in the division to determine staffing, funding, and any other issues. The task sheet is never supplied to the division without prior notice. At this time, the capture plan is filled out. (A copy is presented in Appendix C.) The capture plan can be viewed as a workbook, where the applicable information is self-explanatory. When completed, this plan provides an information package to assist in the development of a proposal and for archival reference concerning the opportunity.

STEP 4. DEVELOP PROPOSAL

If a decision is made to forego the development of a proposal, the information gathered to date is entered in the database and appropriate feedback is provided to the capture team. If a decision is made to develop a proposal, Step 4 begins with the assignment of a proposal number, which is entered in the business development database. Selected personnel in Code 31B and the division will write the proposal. The guide for a modular proposal process is shown in figure 3. Final review is conducted by Code 31B.

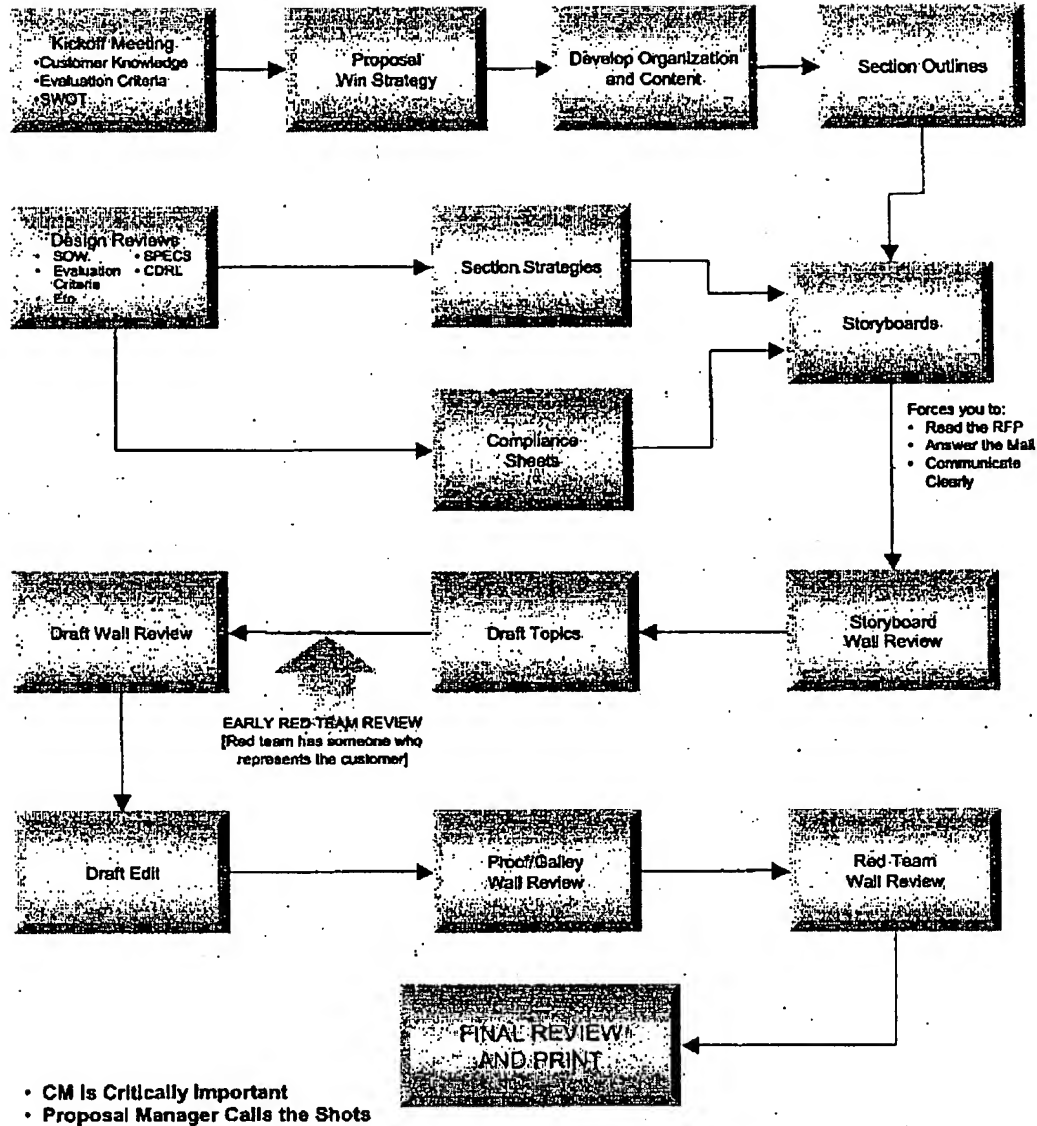


Figure 3. Modular Proposal Data Flow Diagram

STEP 5. SUBMITTAL

Step 5 involves the decision to submit the proposal. If the proposal is not submitted, the database is amended with the appropriate information and feedback is

provided to the team. If the proposal is submitted, a presentation is prepared for the customer. At this time, negotiations can begin on the work contained in the proposal.

STEP 6. SUCCESS

The success of the proposal is addressed in Step 6. If the proposal is not successful, a post-review is conducted with the team and the customer. If the customer is not available, the proposal leader should bring comments from the customer, addressing the rationale for rejection of the proposal. This information is also entered in the database.

STEP 7: EXECUTE

If the proposal is successful, the final step, Step 7, is to execute the work. The execution of the work is the responsibility of the division.

THE TOOLS

There are four tools used in the business development process, as depicted in table 4.

Table 4. Business Development Process Tools

Number	Name	Description
1	Opportunity Analysis	Determines whether an idea is either an idea or an opportunity
2	Risk/Reward Assessment	Identifies the risk and the reward of an opportunity
3	Code 31B Task Sheet	Used by Code 31B to request support from within the divisions
4	Capture Plan	Provides a plan for proposal development, POCs, Return on Investment, and Action Items

SUMMARY

The Surface Undersea Warfare Department (Code 31) at NUWC Division Newport has adopted a standard process for all new business development in the department that injects new thinking into the idea of business development. This process can be both exciting and rewarding to execute. The process allows innovators to pursue ideas, and determine the opportunities that have presented themselves. This promotes more innovation, as engineers can better understand where their ideas go and how they are developed. The process assesses the risks and rewards, compares that assessment to a baseline of proven successful opportunities, and helps determine the next step. This invites more effective strategic planning, commitment of resources, and overall planning.

BIBLIOGRAPHY

"Entrepreneurship and Intrepreneurship Effective Communications, Sales and Negotiation for The Technical Professional," Morgan Group LLC, Boston, MA, 2000.

"Entrepreneurship and Intrepreneurship: How to Recognize, Manage, and Exploit Business Opportunities," Boston, MA, 2000.

Kramer, M., "Small Business Turnaround," Adams Media Corp., Holbrook, MA, 2000.

"Strategic Marketing and Sales Strategies For Sustained Revenue Growth: Increase Your Organization's Ability to Capture More Business," Strategic Marketing & Analysis, Inc., Arlington, VA, 2000.

APPENDIX A

**OPPORTUNITY ANALYSIS AND RISK/REWARD
COVERSHEET AND WORKSHEETS**



Strategic Planning and Development Office



Idea Name:

Originator:

Brief Description:

External Team Members:

Step 1: Opportunity Analysis [originator]

(1)

	High Attractive	Low Attractive
Market	<input type="text" value="0"/> Significant Capability	<input type="text" value="0"/> Incremental Improvement
Economics	<input type="text" value="0"/> Loose Constraints	<input type="text" value="0"/> Strict Constraints
Competitive Advantage	<input type="text" value="0"/> Significant	<input type="text" value="0"/> Not Evident
Team	<input type="text" value="0"/> NUWC Core	<input type="text" value="0"/> Evident Weakness
Potential Flaws	<input type="text" value="0"/> None / Mitigated	<input type="text" value="0"/> One or More
Overall:	<input type="text" value="0"/> Opportunity (Proceed to Step 2)	<input type="text" value="0"/> Idea Needs More Work To Become Opportunity

Step 2: Risk/Reward Assessment [originator]

(2)

Rewards	Risks
<input type="text" value="0"/> Sustains/Grows Core Equity	<input type="text" value="0"/> New Product
<input type="text" value="0"/> Address Critical Need	<input type="text" value="0"/> New Customer
<input type="text" value="0"/> New Business Development	<input type="text" value="0"/> Cooperative Existing Customer
<input type="text" value="0"/> Competitive Advantage	<input type="text" value="0"/> Team
<input type="text" value="0"/> Increase Market Share	<input type="text" value="0"/> Time To Meet Milestones/Deliverables
<input type="text" value="0"/> Increase Professional Reputation	<input type="text" value="0"/> Funding Limited
	<input type="text" value="0"/> Customer Pain
	<input type="text" value="0"/> Internal Processes
<input type="text" value="0.78"/> Benchmark	<input type="text" value="0.020"/> Benchmark
<input type="text" value="0.00"/> Reward Assessment	<input type="text" value="0.000"/> Risk Assessment

Step 3: Final Assessment (Code 31B)

GO NO GO MAYBE

STRATEGY:

Code 31B Signature:

Date:

Opportunity Analysis: Market (Step 1a)

Enter a 1 where appropriate, leave blank if un-sure

Criteria	High Attractive	Assessment	Low Attractive	Assessment
Market:	Market-driven		Unfocused	
Customers	Reachable		Loyal to others	
User Benefits	<1 year payback		>3 year payback	
Value Added	High		Minimal impact	
Product Life	Durable		Perishable	
Timing	With the tide		Against the tide	
Market Structure:	Imperfect, emerging		Concentrated, declining	
Funding Potential:	>\$750K		<\$500K	
Potential Market Share:	Leader, >20%		<5%	
Industry and Market	Significant Capability	0	Incremental Improvement	0

Opportunity Analysis: Economics (Step 1b)

Enter a 1 where appropriate, leave blank if un-sure

Criteria	High Attractive	Assessment	Low Attractive	Assessment
Time to Break-Even:	<2 years		>4 years	
ROI Potential:	>25%		<15%	
Capital Requirements:	Low to Moderate		High	
Impact on Staffing:	Increase staffing, >2 WY		None	
Room for error:	Forgiving		None	
Funding Structure:	Multi-Year		Single-Year	
Economics	Loose Constraints	0	Strict Constraints	0

Opportunity Analysis: Competitive Advantage (Step 1c)

Enter a 1 where appropriate, leave blank if un-sure

Criteria	High Attractive	Assessment	Low Attractive	Assessment
Fixed and Variable Costs:	Lowest		Highest	
Control over Costs, Prices, and Distribution:	Strong		Weak	
Barriers to Entry:	Low to Moderate		High	
Proprietary Protection	Have or can gain		No Access	
Lead Time	Significant		Aggressive competition	
Legal, Contractual	Proprietary or exclusivity		None	
Contacts, Networks	Well Developed		Limited	
Key people	Top talent		Unimpressive team	
WFPP	Executable		Non-executable	
FMS	Approvable		Non-approvable	
MOU	Executable		Non-executable	
Technology/Concept:	Superior, groundbreaking		Substitutes available	
Competitive Advantage	Significant	0	Not evident	0

Opportunity Analysis: Team (Step 1d)

Enter a 1 where appropriate, leave blank if un-sure

Criteria	High Attractive	Assessment	Low Attractive	Assessment
Entrepreneurial Team:	Visionary, radiates competence, listens		Weak	
Industry or Technical Experience:	Top		Weak	
Integrity:	Highest Standards		Questionable	
Intellectual Honesty:	Know what they don't know, and listen well		Does NOT listen	
Stress Tolerance:	Thrives with pressure		Low	
Management team	NUWC Core	0	Evident weakness	0

Opportunity Analysis: Potential Flaw (Step 1e)

Enter a 1 where appropriate, leave blank if un-sure

Criteria	Potential Attractiveness		Potential Flaw	
		Assessment		Assessment
Real customer	Yes		No	
Under Promise-Over deliver	Yes		No	
Right corporate culture	Yes		No	
Appropriate Team (Motivated, Correct skills)	Yes		No	
Is Market Correct?	Yes		No	
Confident	Yes		No	
Engineering of Product	Fine		Over engineering	
Stress test properly	Yes		No	
Good sub suppliers	Yes		No	
Trying to do too much	No		Yes	
Experienced Team	Yes		No	
Right location	Yes		No	
Price in line with competition	Yes		No	
Market window	Open		Closed	
Competition	None		Large competitor in our space	
Authority to act given to team	Yes		No	
Within Code of Federal Regulations	Yes		No	
Fixed Price contractually	Yes		No	
funding prior to work start up	Yes		No	
Resources Available	Yes		No	
Fatal Flaws	None / Mitigated	0	One or more	0

Risk and Reward Assessment: Tool (2)

RISK ASSESSMENT

Enter either a 1 (no risk), a 0 (high risk), or a number between 0 and 1 where you assess risk to be

Risk Factor	Benchmark	
New Product	0.7	0
New Customer	0.1	0
Cooperative Existing Customer	1	0
Team	1	0
Time to Meet Milestones/Deliverables	0.9	0
Funding Limited	0.5	0
Customer Pain	0.7	0
Internal Process	0.9	0
Total Risk	0.02	0.00

Calculated Risk: Tough

Risk Assessment
0-.002 = Too High Risk. Do not do it.
.002-.02 = High Risk. Talk To Customer
.02-0.2 = Tough, but Doable.
.2-1.0 = Low Risk. Go For it.

REWARD ASSESSMENT

Enter either 1 (Low reward), 2 (Moderate reward), or 3 (high reward)

Reward Factor	Weight Ratio	Benchmark	
Sustains/Grows Core Equity		3	
Address Critical Need		2	
New Business Development		3	
Competitive Advantage		1	
Increase Market Share		1	
Increase Professional Reputation		2	
Total Reward		0.78	0.00

Calculated Reward: Moderate

Reward Assessment
0.3 to 0.55 = Low
0.55 to 0.80 = Moderate
0.80 to 1.00 = High

APPENDIX B
CODE 31B TASK SHEET

B-1



Strategic Planning and Development Office



31B Task Sheet: Tool (3) Request for Support to Divisions

I.	Code 31B Point of Contact		Date of Request	
	Phone Number		Fax Number	
	E-Mail Address			
II.	Support Title			
III.	Logged into 31B Action Item Database	Log-in Date		
IV.	Request to:			
				31Bs Action <input type="checkbox"/> Log into 31B Action Database <input type="checkbox"/> Copy for 31B Task Book <input type="checkbox"/> Send Copy to Requester <input type="checkbox"/> Send Copy to Requestor <input type="checkbox"/> Provide Copy of Opportunity Analysis and Risk/Reward Assessment <input type="checkbox"/> Notify 31B POC upon Completion of above
				Initial: Date:

Description of Request:	

V. Additional Information and

--

Job Order Number		Can Be Used For		Work Weeks.
------------------	--	-----------------	--	-------------

VI.	Request Due Date To Code 31B POC:	
-----	-----------------------------------	--

Business Sensitive

B-2

APPENDIX C
CAPTURE PLAN

C-1

Proposal Capture Plan

Opportunity Name: _____

Date: _____

Point of Contact: _____

The Buyer's Need

(A short, succinct description of what the buyer needs)

Notes:

- ① Projection of each viewgraph keeps everyone informed and involved and provides a central point for action items.
- ② Use different colored pen for action items.

The Buyers	
Economic/Strategic Buyer (Final approval to spend money)	User Buyer (Will be the primary funder of our offering)
Technical/System Buyer (Checks our offering to ensure it is technically correct and/or meets specifications)	Coach (Someone in their organization who wants us to succeed)

The Internal Capture Team	
(The handful of people in our organization who get together to brainstorm the opportunity and apply the Step-by-Step Strategy to the opportunity)	
1. 2. 3. 4. 5.	Notes: ① Usually 4 to 7 people ② Members represent a cross section of people from all departments (e.g. operations, marketing and management.) ③ Need some managers in order to assign action items to people ④ Top management usually does not participate in the sessions, but is briefed on the result ⑤ People from other areas in the organization can provide out-of-the-box thinking

Information Required About the Need

What information do we need to get?	How are we going to get it?	Action person assigned

Information Required About the Buyers

(What do we want to know about the buyers to make an opening statement in the first 18 to 39 seconds?)

What information about the buyers do we want to get?	How are we going to get it?	Action person assigned

Information Required About the Money Available

What information do we need to get?	How are we going to get it?	Action person assigned

Information Required on the Competition

Likely competitors	What information do we need to get?	How are we going to get it?	Action person assigned
1.			
2.			
3.			
4.			
5.			
6.			

Assessing the Competition

The Top Competitors	Strengths	Weaknesses
1.		
2.		
3.		

Notes: • Provides info on other organizations in case we need to learn up to get the "killer argument."
• Provides info on competitor weakness. Useful in "ghosting" the competition.

Internal Investment Required

(What will it cost us to close this opportunity?)

- | | |
|---|-----------------|
| 1. Cost of people working on overhead supporting the marketing effort | \$ _____ |
| 2. Travel costs | \$ _____ |
| 3. Cost to provide free on-site people at the customer's site | \$ _____ |
| 4. Internal Research and Development costs, e.g. | \$ _____ |
| a. Software development | |
| b. Prototype costs | |
| c. Cost of demonstrations | |
| 5. Cost to write the proposal | \$ _____ |
| 6. Other costs | \$ _____ |
| Total cost | \$ _____ |

Internal Return-on-Investment (ROI)

1. Expected revenue in first two years of funding \$ _____
2. Anticipated profitability _____ %
3. Internal investment required (from previous viewgraph) \$ _____
4. Internal ROI $\left(\frac{\#1}{\#3} \right)$ _____

Our Response to the Need

(What are we going to offer the buyer that will satisfy part or all of the need?)

What is Our "Killer Argument"?

- How can we show the buyer that we have satisfied the exact same need for similar buyers in the recent or past. List examples.
OR
- If we cannot show this, what can we do to reduce the risk in the buyer's mind?
 - 1.) What have we done that relates?
 - 2.) What other organizations can we team up with?
 - 3.) How can we use the experience of our vendors, suppliers, subcontractors and consultants?

What are Our Key and Ghosting Discriminators?

(What's unique and superior about our offering?)
(What can we use to "ghost" the competition? How can we counter the competitors' weaknesses?)

Key Discriminators

- 1.
- 2.
- 3.
- 4.

"Ghosting" Discriminators

- 1.
- 2.
- 3.
- 4.

Return on Investment Analysis

(How quickly will our solution pay for itself? Or reduce or avoid costs?)
(Why should the economic buyer fund this solution?)

ROI Analysis	Data Needed	Action Person Assigned

The Team

(What team do we need in order to have a "killer argument"?
(Are there any strategic or political considerations?)

Potential Teammate**Rationale**

Who Is the Lead Salesperson(s) for Each Buyer**Economic/Strategic Buyer**

(Final approval to spend money)

User Buyer

(Will be the primary funder of our offering)

Technical/System Buyer

(Checks our offering to ensure it is technically correct and/or meets specifications)

Notes

Match up sellers and buyers based on:

- Personality types (Match or mirror)
- Seniority level in the organization
- Level of technical knowledge

What is Our Pre-Selling Contact Plan?

(Who do we need to pre-brief?)

- Line up coaches
- Convince following people in our organization:
 - 1.
 - 2.
 - 3.
 - 4.
- Convince the following people who influence the buyers:
 - 1.
 - 2.
 - 3.
 - 4.

Elements of Our Presentation

(What will be the elements of a presentation if we have to give one, or if we need to leave info with the user buyer to influence the economic/strategic buyer?)

Application No. 10/006,733

Attorney Docket No. 83042

RELATED PROCEEDINGS APPENDIX

None.